

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2019-57-E - ORDER NO. 2019-292

MAY 1, 2019

IN RE: South Carolina Electric & Gas Company's)	ORDER APPROVING
2019 Annual Update on Demand Side)	RATE RIDER CHANGE
Management Programs and Petition for an)	AND ADDRESSING
Update to Rate Rider)	CERTAIN DEMAND SIDE
)	MANAGEMENT
)	PROGRAMS

I. INTRODUCTION

This matter comes before the Public Service Commission of South Carolina (“Commission”) for consideration of a Petition to Update South Carolina Electric & Gas Company’s (“SCE&G” or “the Company”) Demand Side Management (“DSM”) Rate Rider and for consideration of the Company’s 2019 Annual Update on Demand Side Management Programs (“Petition”). After due and proper Notice, a Petition to Intervene was filed by Walmart Inc. (“Walmart”). The Office of Regulatory Staff (“ORS”) is a party to this matter as pursuant to S.C. Code Ann. § 58-4-10(B) (2017). Although the South Carolina Coastal Conservation League and the Southern Alliance for Clean Energy did not intervene in this proceeding, they did file comments along with Walmart and ORS.

SCE&G’s Petition was filed pursuant to S.C. Code Ann. § 58-37-20 (2017) and Order No. 2010-472, as affirmed and modified by Order No. 2013-826. In Order No. 2010-472, the Commission approved SCE&G's suite of DSM programs and authorized

the Company to continue its DSM Rate Rider. In accordance with Section 58-37-20 and as described more fully below, the DSM Rate Rider is designed to allow SCE&G to recover the costs and net lost revenues associated with its DSM programs, along with a shared savings incentive equal to six percent (6%) of the net benefits derived from the Company's DSM programs.

In Order No. 2013-826, the Commission also ordered SCE&G to continue its practice established under Order No. 2010-472, of submitting an annual filing with the Commission updating the Company's DSM Rate Rider each January through the life of the DSM programs. In accordance with Order No. 2010-472, as affirmed and modified by Order No. 2013-826, the annual filing must set forth the programs, net lost revenues, program costs, shared savings incentive, net program benefits, and other items as appropriate. Moreover, the annual filing must encompass the twelve-month period beginning December 1 and ending November 30.

For this annual filing, the prior review period is December 1, 2016, to November 30, 2017 (“Program Year 6”); the current review period is December 1, 2017, to November 30, 2018 (“Program Year 8”); and the forecasted period is December 1, 2018, to November 30, 2019 (“Program Year 9”).

The Company and ORS exchanged a series of documents regarding this case, and ultimately agreed on the matters described below.

II. RATE RIDER

With regard to the Rate Rider, both SCE&G and the Office of Regulatory Staff assert that the Company is entitled to recover in this proceeding \$13,765,392 as an

amortization of Program Costs, \$15,076,448 for Net Lost Revenues, and \$1,463,898 as an amortization of the Shared Savings Incentive, for a total requested recovery of \$30,305,738. ORS found that the updated Rate Rider was developed in accordance with the terms and conditions set forth in Commission Order Nos. 2010-472 and 2013-826.

In summary, ORS and SCE&G agree to the amounts listed above for recovery. In order to recover these amounts, the parties propose that we approve the following DSM Rate Rider figures: 0.184 cents/kWh for residential customers, 0.274 cents/kWh for small general service customers, 0.176 cents/kWh for medium general service customers, and 0.093 cents/kWh for large general service customers, effective for bills rendered on and after the first billing cycle in May 2019. We approve these DSM Rate Rider figures and the effective date, since we hold that they were developed in accordance with the terms and conditions set forth in Commission Order Nos. 2010-472 and 2013-826. We would note that the DSM Rate Rider for a residential customer will decrease from 0.221 to 0.184 cents/per kWh. As a result, the Company and ORS estimate that the DSM Rate Rider will cause the bill of an average residential customer using 1,000 kilowatt-hours per month to decrease approximately \$0.37. SCE&G shall file with the Commission the amended Rate Rider with rates approved by this Order within ten (10) days of receipt of this Order, and also serve copies on the parties.

III. DSM PROGRAMS

With regard to the actual DSM Programs, the Company currently offers eight (8) DSM programs. ORS states that it is encouraged by increased participation in the Company's programs and resultant energy savings.


IV. COLLABORATION

Finally, we note that Walmart, as well as the South Carolina Coastal Conservation League and the Southern Alliance for Clean Energy, filed comments on the Company's current DSM programs and Rider Petition.

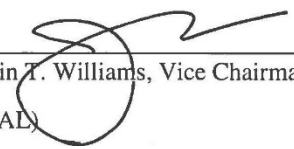
Once again, the Company must continue to consider the recommendations of the of the SCE&G Energy Efficiency and Advisory Group, as well as comments from Intervenorors such as Walmart, South Carolina Coastal Conservation League, Southern Alliance for Clean Energy, ORS, and others, in improving the DSM programs, and that this Commission expects the company to continue to engage in collaborative efforts to improve its DSM programs. Further, to the extent that the information is not competitively sensitive, this Commission encourages the Company to continue to engage in a collaborative approach to discussion of program process and impact evaluations in upcoming DSM Advisory Group meetings.

This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



Comer H. Randall, Chairman



Justin T. Williams, Vice Chairman

(SEAL)